IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD
(Special Original Jurisdiction)
WEDNESDAY, THE SEVENTH DAY OF JULY
TWO THOUSAND AND FOUR
PRESENT
THE HON'BLE MR JUSTICE N.V. RAMANA
WRIT PETITION NO : 11474 of 2004

Between:

A.P.State Agro Industries Development Corporation Ltd., 6-2-45/7, Advocates Colony, A.C.Guards, Hyd.

..... PETITIONER

AND

1 Reg.Provident Fund Commissioner (C&R) Andhra Pradesh Barkatapura, Hyderabad.
2 State Bank of Hyderabad, Gonfoundry Branch, Hyderabad.

.....RESPONDENT(S)

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to to issue an order / directions particularly in the nature of writ of certiorari to call for the records pertaining to the proceedings No.AP/Hyd/Circle.18/ Damages/AP/3300/CA/PD Cell/7917 dated 8-6-04 issued by the 1st respondent calling upon the petitioner to pay an amount of Rs.44,19,931=00 towards interest and damages and consequential prohibitory order dated 25-6-04 issued by the 1st respondent prohibiting the operation of the account maintained by the petitioner in the 2nd respondent Bank and squash the same as arbitrary unjust, illegal and voilative of Article 14,19,300A of Constitution of India and principles of Natural Justice and to grant such other relief as the Hon'ble Court deems fit and proper in the just circumstances of the case.

For the Petitioner:MRS.P.BALA RANI -Advocate

For the Respondent No . 1 : MR.R.N.REDDY - Advocate

For the Respondent No. 2: --

The Court at the stage of admission made the Following order:

THE HON'BLE SRI JUSTICE N.V.RAMANA

WRIT PETITION NO. 11474 OF 2004

ORDER:

The present writ petition is filed questioning the action of the first respondent vide proceedings dated 8-6-2004 directing the petitioner to pay an amount of Rs.44,19,931-00 towards interest and damages and the order dated 25-6-2004 prohibiting the operation of the account maintained by the petitioner in the second respondent bank.

The petitioner claims to be state owned corporation engaged in the activities of leveling of lands, distribution of Agricultural implements, chemical fertilizers, insecticides, seeds etc and said to be running in losses. It is stated that the payment of Employees Provident Fund contributions were enhanced from 10 % to 12 % w.e.f. 22-9-1997 and exemption was granted to the companies with accumulated losses equal to or exceeding its net wroth and also suffering cash loss in such financial year and the financial year immediately preceeding such financial year. The petitioner claims to be covered by the exemption and stated to have remitted the contributions at 10 % and also furnished such details as demanded by the first respondent. While so, the impugned order dated 8-6-2004 was issued under section 7 Q

and 14 B of the E.P.F. and Miscellaneous Provisions Act, 1952 calling upon the petitioner to pay an amount of Rs.44,19,931/- towards interest and damages on the difference of 2% of delayed payment of contribution of employees. Thereafter order dated 25-6-2004 was issued prohibiting the operation of the petitioner's bank account with second respondent bank. Questioning the said orders on various grounds, the present writ petition is filed.

Though several contentions were raised, the learned Standing Counsel for the first respondent submits that there is alternative remedy of appeal available to the petitioner before the Tribunal constituted for the purpose and the petitioner without exhausting the appeal remedy before the Tribunal approached this Court invoking the jurisdiction under Article 226 of the Constitution.

Having regard to the fact that the petitioner has the alternative remedy by way of appeal before the Tribunal, it is open to it to avail the said remedy by filing an appeal before the Tribunal within six weeks from today. However, the respondents shall not take any coercive steps against the petitioner till such time.

Subject to above observations, the writ petition is disposed of at the stage of admission.

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N.V.RAMANA,J

7-7-2004.

TVK

To

1 Reg.Provident Fund Commissioner (C&R) Andhra Pradesh Barkatapura, Hyderabad.
2 State Bank of Hyderabad, Gonfoundry Branch, Hyderabad.
3.. 2CCs to
4..2CD copies

*Form-NIC-OGS/WP{**JA**}*